|  | 12.5          | 39-2411               |                     |
|--|---------------|-----------------------|---------------------|
| Office o                                   | of Legislativ | Lidisor<br>ve Liaisor | al<br>Pi            |
|  | Routing Slip  | ,                     |                     |
| TO:  | ACTION        | INFO                  |                     |
| 1. D/OLL                                   |               | _ x                   |                     |
| 3. DD/OLL 3. Admin Officer                 |               | X                     |                     |
| 4. Liaison                                 |               | ×                     |                     |
| <ol> <li>Legislation</li> <li>.</li> </ol> |               | X                     |                     |
| 7.   |               |                       |                     |
| 8.<br>9.                                   |               |                       |                     |
| 10.  |               |                       |                     |
| SUSPENSE                                   |               |                       |                     |
|  | D             | ate                   |                     |
| Action Officer:                            |               |                       |                     |
| Remarks:                                   |               |                       |                     |
| Kemai Ka                                   |               |                       |                     |
|  |               |                       |                     |
|  |               |                       |                     |
|  |               | -24 Arres             | <del>30 19</del> 04 |
|  | Na            | me/Date               |                     |
|  |               |                       |                     |
|  |               |                       |                     |

| ROOM NO. | BUILDING        | EXTENSION |  |
|----------|-----------------|-----------|--|
| ROM:     | D/Pers          |           |  |
|          |                 |           |  |
|          |                 |           |  |
|          |                 |           |  |
|          |                 |           |  |
|          |                 |           |  |
|          |                 |           |  |
|          |                 |           |  |
|          |                 |           |  |
| EMARKS:  |                 |           |  |
| 100M NO. | BUILDING<br>Hqs |           |  |
| ГО:      | OLL             |           |  |
| ŤŘÁŃSM   | NITTAL SLIP     | ATE       |  |

| Approved For Release | 2009/06/30 : CIA-RDF | -90B01370R0001000 | 100015-9<br>  <b> </b>   S |
|----------------------|----------------------|-------------------|----------------------------|
| MEMORANDUM FOR:      |                      |                   |                            |
|                      |                      |                   |                            |
|                      |                      |                   |                            |
|                      |                      |                   |                            |
| 1 1/0,               | L Gid (<br>Attached  | Tonaces           |                            |
| on the               | attached             |                   |                            |
|                      |                      |                   |                            |
|                      |                      | *                 |                            |
|                      |                      | •                 |                            |
|                      |                      | •                 |                            |
|                      |                      |                   |                            |
|                      |                      |                   |                            |
|                      |                      |                   |                            |
|                      |                      | 2 9 AUG 1984      |                            |

| Approved For Release 2009/06/30 : CIA-RDP90B01370R000100060015 | -9   |
|--|------|
| MEMORANDUM FOR:  | STAT |
|  |      |
| Did DIOLL"Concur" on   |      |
| the attached and this is just                                  |      |
| the attached and this is just<br>our Info capy. Please let     |      |
| me know. Thanks  |      |
|  | STAT |
| Ragisly  |      |
| Date 29 August 84  |      |
| Approved For Release 2009/06/30 : CIA-RDP90B01370R000100060015 | -9   |

10. Deputy Director of

CONCUR: Central Intelligence

13. D/PERS 14. DD/PAGE

610 USE PREVIOUS

15. C/PMCD

GFO: 1983 O - 411-632

SECRET Approved For Release 2009/06/30: CIA-RDP90B01370R000100060015-9 COMPT 84763 7 1984 AUG MEMORANDUM FOR: Deputy Director of Central Intelligence VIA: Executive Director Deputy Director for Administration General Counsel Comptroller FROM: Robert W. Magee Director of Personnel SUBJECT: High-Tech Pay Schedules 1. Action Requested: Paragraph 3 of this memorandum contains a recommendation that you approve special pay schedules for engineering and 25X1 physical science occupations. 2. Background: In its 1981 study of Agency pay practices, the consulting firm of Towers, Perrin, Forster and Crosby (TPF&C) concluded that Agency high-tech personnel, i.e., engineers and physical scientists, lagged significantly behind the private sector at all grade levels. disparity between the Agency and the private sector has continued unabated, with Agency high-tech salaries running 8 percent to 15 percent below the marketplace in 1982, and 10 percent to 20 percent below the marketplace in the most recent private sector survey data for 1983. Interestingly, in spite of this difference in pay, Agency retention is very high. This we attribute to the unique job opportunities in the Agency. However, as this gap has widened, the Agency has continued to suffer in its efforts to recruit top talent in the high-tech areas. In the past year, the Agency has been successful in filling only about 40 percent of its engineering requirements. To achieve even these meager numbers, the Agency has had to offer excessively high grades and steps 25X1 for inexperienced personnel. In the most recent pay adjustment to the General Schedule in January, the Office of Personnel Management exacerbated the engineering recruitment picture by freezing the special rates for engineers at 1983 levels. Although you already have taken action to rectify this situation by authorizing a 4 percent adjustment to our current engineering schedule, this action provides only an interim solution to the problem by preventing our employees from slipping backward in comparison with the private sector. Furthermore, there is no special pay consideration in the physical science disciplines, where Agency salaries also lag behind 25X1 the marketplace.

25X1

SECRET

Original - Rtn to D/PERS

1 - ER

1 - OGC

1 - Comp

2 - DDA

1 - D/PERS

1 - PA&E

2 - PMCD

1 - OLL

OP/PMCD/C&CPE

dmm(26Ju184)

SUBJECT: High-Tech Pay Schedules

Agency needs to look at not only the pay levels, but also the pay structure. In the private sector, salary schedules are generally structured with in-grade ranges of 50 percent from minimum to maximum, vis-a-vis 30 percent for the General Schedule. The broader pay range allows private sector managers to give within-grade pay increases of 5 percent or more, vis-a-vis 3 percent in the General Schedule. Also, these larger increases are tied to merit, rather than longevity, and are used as an alternative to promotion, which comes with a change in job. In order to achieve structural comparability with the private sector, we must redesign our current pay system. We currently are examining alternatives which we are hopeful will provide a long-term solution to the high-tech pay problem.

25X1

The Position Management and Compensation Division (PMCD) has developed separate, special pay schedules (Attachments A and B) for engineers and physical scientists. The engineering schedule covers grades GS-07 through GS-13, and the physical scientist schedule covers grades GS-07 through GS-11. These schedules are structured to make Agency salaries competitive with the marketplace through the GS-12 level, where our most severe recruitment and retention problems occur. They also broaden the pay range for these grades to 35 percent (from its current 30 percent) thereby increasing the value of a step increase (from its current average of 3 percent) to approximately 3.5 percent. These schedules can be superimposed on the payroll system without significant modification and require no administrative changes to current pay practices.

25X1

Employees would be converted at their current grade in the new schedule to the step nearest, but not less than, their current salary level. This conversion can be accomplished at a payroll cost of approximately for FY85, which includes an adjustment of approximately ercent of payroll for benefits.

25X1 25X1

The proposed special schedules will cover only those individuals who have earned professional degrees in engineering or the physical sciences and who are assigned to perform work in one of the occupations specified on the schedules. Other occupations, including data processing and electronic technician occupations were considered for possible special schedules. Marketplace pay data show that, on the whole, we are competitive for these occupations. (Specific pay comparisons are included as Attachment C.) Nevertheless, the Office of Data Processing (ODP) has suggested that it is losing people to the private sector for higher pay, and turnover statistics show that certain occupations in the data processing field are suffering slightly higher attrition than the Agency norm of 5 percent. It is unclear whether this is a pay, position classification, or other phenomenon. PMCD has just begun an office survey of ODP. Upon completion of this survey, we expect to reexamine this question to determine whether there is need for further action.

SUBJECT: High-Tech Pay Schedule

- 3. Recommendation: It is recommended that you approve the following:
  - a. Implementation of the attached special schedules for engineering and physical science occupations to be effective the first pay period in October. If there is a pay adjustment to the General Schedule in October, this adjustment will be included prior to implementation.
  - b. Conversion of eligible employees at their current grade level and to the step nearest, but not less than, their current salary.

25X1 25X1

Robert W. Magee

Attachments

CONCUR:

25X1

9 AUG 1984

Date

8'-13-84 Date

8-16-84 Date

Deputy Director of Central Intelligence

(DISCUSSED WITH ODE; THIS DATE)

3

#### ENGINEERING PAY SCHEDULE\*

| <u>Grade</u> | 1      | 2      | 3_     | 4      | 5_     | 6      | 7_     | 8      | 9_     | 10_      | In-Grade<br>Increments |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|------------------------|
| GSE-7        | 23,040 | 23,936 | 24,832 | 25,728 | 26,624 | 27,520 | 28,416 | 29,312 | 30,208 | 31,104   | 896                    |
| GSE-8        | 24,544 | 25,498 | 26,452 | 27,406 | 28,360 | 29,314 | 30,268 | 31,222 | 32,176 | 33,134   | 954                    |
| GSE-9        | 26,994 | 28,044 | 29,094 | 30,144 | 31,194 | 32,244 | 33,294 | 34,344 | 35,394 | 36,444   | 1050                   |
| GSE-10       | 28,723 | 29,840 | 30,957 | 32,074 | 33,191 | 34,308 | 35,425 | 36,542 | 37,659 | . 38,776 | 1117                   |
| GSE-11       | 29,455 | 30,601 | 31,747 | 32,893 | 34,039 | 35,185 | 36,331 | 37,477 | 38,623 | 39,769   | 1146                   |
| GSE-12       | 32,947 | 34,228 | 35,509 | 36,790 | 38,071 | 39,352 | 40,633 | 41,914 | 43,195 | 44,476   | 1281                   |
| GSE-13       | 36,327 | 37,740 | 39,153 | 40,566 | 41,979 | 43,392 | 44,805 | 46,218 | 47,631 | 49,044   | 1413                   |

# Occupational Categories:

| 0801.02 | Engineer General                      | 0855.01 | Electronic Engineer                      |
|---------|---------------------------------------|---------|--|
| 0801.03 | Intelligence Officer-General Engineer | 0855.19 | Operations Officer - Electronic Engineer |
| 0801.05 | Operations Officer-General Engineer   | 0855.21 | Electronic Engineer-Audio Support        |
| 0801.06 | Project Management Engineer           | 0855.22 | Intel Officer-Electronic Engineer        |
| 0803.01 | Safety Engineer                       | 0860.01 | Intel Officer-Aeronautical Engineer      |
| 0806.01 | Materials Engineer                    | 0860.02 | Operations Officer-Aeronautical Engineer |
| 0808.01 | Architect                             | 0870.02 | Marine Engineer                          |
| 0810.01 | Civil Engineer                        | 0893.01 | Intelligence Officer-Chemical Engineer   |
| 0830.02 | Mechanical Engineer                   | 0893.02 | Chemical Engineer                        |
| 0850.02 | Electrical Engineer                   | 0986.01 | Industrial Engineer                      |
|         |                                       |         |  |

<sup>\*</sup> To qualify for pay from this schedule, employees must be assigned to one of the above occupational categories and must have a college degree in a professional engineering discipline.

# ADMINISTRATIVE - INTERNAL USE ONLY

#### PHYSICAL SCIENCE PAY SCHEDULE\*

| Grade  | 1      | _2_    | _3_    | _4_    | 5      | _6_    | 7_     | 8_     | 9      | _10_   | In-Grade<br>Increments |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------------------------|
| GSP-7  | 18,653 | 19,378 | 20,103 | 20,828 | 21,553 | 22,278 | 23,003 | 23,728 | 24,453 | 25,178 | 725                    |
| GSP-8  | 20,591 | 21,317 | 22,115 | 22,913 | 23,711 | 24,509 | 25,307 | 26,105 | 26,903 | 27,701 | 798                    |
| GSP-9  | 22,569 | 23,447 | 24,325 | 25,203 | 26,081 | 26,959 | 27,837 | 28,715 | 29,593 | 30,471 | 878                    |
| GSP-10 | 24,829 | 25,795 | 26,761 | 27,727 | 28,693 | 29,659 | 30,625 | 31,591 | 32,557 | 33,523 | 966                    |
| GSP-11 | 25,489 | 26,480 | 27,471 | 28,462 | 29,453 | 30,444 | 31,435 | 32,426 | 33,417 | 34,408 | 991                    |

#### Occupational Categories:

| 1301.01 | Intelligence Officer - Physical Science | 1310.03 | Physicist                                 |
|---------|---|---------|---|
| 1301.02 | Intelligence Officer - Guided Missiles  | 1320.02 | Chemist                                   |
| 1301.03 | Intelligence Officer - Air Weapons      | 1320.03 | Intelligence Officer - Organic Chemistry  |
| 1301.04 | Intelligence Officer - Naval Weapons    | 1320.10 | Intelligence Officer - Physical Chemistry |
| 1301.06 | Physical Science Administrator          | 1320.13 | Technical Operations Officer - Chemistry  |
| 1301.07 | Physical Scientist                      | 1386.01 | Photographic Technologist                 |
| 1301.08 | Operations Officer - Physical Scientist | 1387.01 | Imagery Scientist                         |
| 1301.11 | Physical Scientist - Research           | 1387.02 | Imagery Scientist - Systems               |
| 1310.01 | Intelligence Officer - Physics          | 1387.03 | Imagery Scientist - Digital               |
| 1310.02 | Intelligence Officer - Nuclear Energy   | 1387.04 | Imagery Scientist - Research              |

To qualify for pay from this schedule, employees must be assigned to one of the above occupational categories and must have a college degree in physics, physical science, photoscience, photographic technology, chemistry, mathematics or computer science.

# MARKETPLACE ANALYSIS - HIGH TECH POSITIONS

| 00 | cupational<br>Group | Occupational<br>Code                    | Position<br>Title | GS-Grade | Number<br>of<br>Incumb | Agency<br>Actual<br>Average | Marketplace<br>Rate | Agency<br>Average<br>as % of<br>Marketplace | Midpoint of<br>Proposed<br>Schedule<br>as % of<br>Marketplace |
|----|---------------------|---|-------------------|----------|------------------------|-----------------------------|---------------------|---|---|
| CC | mputer Science      | 0334.01                                 | Computer          | GS-07/08 |                        | 02.406                      | 21,400              | 0.40  |   |
|    |                     |   | Systems           | GS-09/10 |                        | 23,496                      | 24,900              | 94%   |   |
|    |                     |   | Analyst           | GS-11    |                        | 28,186                      | 29,100              | 97%   |   |
|    |                     |   |                   | GS-12    |                        | 34,454                      | 33,300              | 104%  |   |
|    |                     |   |                   | GS-13    |                        | 38,803                      | 37,700              | 103%  |   |
|    |                     |   |                   | GS-14    |                        | 47,350                      | 42,100              | 113%  |   |
|    |                     |   |                   | GS-15    |                        | 52,645                      | 46,200              | 114%  |   |
|    |                     | 0334.02                                 | Computer          | GS-07/08 |                        | 20,187                      | 18,100              | 112%  |   |
|    |                     |   | Programmer        | GS-09/10 |                        | 23,105                      | 20,200              | 114%  |   |
|    |                     |   |                   | GS-11    |                        | 26,988                      | 22,400              | 121%  |   |
|    |                     |   |                   | GS-12    |                        | 31,753                      | 27,100              | 117%  |   |
|    |                     |   |                   | GS-13    |                        | 38,562                      | 32,200              | 120%  |   |
|    |                     | 0334.05                                 | Computer          | GS-07/08 |                        | 21,007                      | 20,300              | 104%  |   |
|    |                     |   | System            | GS-09/10 |                        | 23,718                      | 23,000              | 103%  |   |
|    |                     |   | Analyst/          | GS-11    |                        | 27,860                      | 27,000              | 103%  |   |
|    |                     |   | Programmer        | GS-12    |                        | 32,988                      | 31,000              | 106%  |   |
|    | *                   |   | •                 | GS-13    |                        | 39,330                      | 38,700              | 102%  |   |
|    |                     |   |                   | GS-14    |                        | 46,896                      | 39,700              | 118%  |   |
|    |                     |   |                   | GS-15    |                        | 53,937                      | 44,100              | 122%  |   |
|    |                     | 0334.09                                 | Data Base         | GS-07/08 |                        |                             | 20,700              |   |   |
|    |                     | *************************************** | Mgr/Admin         | GS-09/10 |                        | 24,628                      | 25,400              | 97%   |   |
|    |                     |   | 5-,               | GS-11    |                        | 27,058                      | 30,600              | 88%   | •   |
|    |                     |   |                   | GS-12    |                        | 32,090                      | 34,900              | 92%   |   |
|    |                     | 0343.07                                 | System            | GS-07/08 |                        | 19,614                      | 21,000              | 93%   |   |
|    |                     | 03.3.07                                 | Analyst           | GS-09/10 |                        | 25,159                      | 22,600              | 111%  |   |
|    |                     |   |                   | GS-11    |                        | 28,750                      | 28,800              | 100%  |   |
|    |                     |   |                   | GS-12    |                        | 31,415                      | 32,200              | 98%   |   |
|    |                     |   |                   | GS-13    |                        | 42,177                      | 36,700              | 115%  |   |
|    |                     | •                                       |                   | GS-14    |                        | 46,994                      | 39,600              | 119%  |   |
|    |                     |   |                   | GS-15    |                        | 57,909                      | 45,500              | 127%  |   |

#### SECRET

# MARKETPLACE ANALYSIS - HIGH TECH POSITIONS

| Occupational<br>Group                      | Occupational<br>Code | Position<br>Title   | GS-Grade   | Number<br>of<br>Incumb | Agency<br>Actual<br>Average  | Marketplace<br>Rate  | Agency<br>Average<br>as % of<br>Marketplace   | Midpoint of<br>Proposed<br>Schedule<br>as % of<br>Marketplace |
|--|----------------------|---|--|------------------------|--|--|---|---|
|  |                      | Top Corpora Data Proces Executive - Multiple Locations - Multiple Processors Telecommunications | sing   |                        | 66,000   | <b>73,9</b> 00   | 89%   |   |
| Engineers                                  | 0801                 |   | GS-07/08<br>GS-09/10<br>GS-11<br>GS-12<br>GS-13<br>GS-14<br>GS-15    |                        | 23,461<br>27,584<br>31,078<br>34,387<br>40,020<br>47,145<br>55,905 | 28,035<br>31,534<br>36,619<br>41,852<br>47,765<br>53,562<br>61,213 | 84%<br>88%<br>85%<br>82%<br>84%<br>88%<br>91% | 100%<br>104%<br>95%<br>92.5%<br>89%                           |
| Engineering<br>Technicians/<br>Specialists | 0802.01/<br>0802.02  |   | GS-07<br>GS-08<br>GS-09<br>GS-10<br>GS-11<br>GS-12<br>GS-13<br>GS-14 |                        | 17,435<br>19,441<br>22,155<br>24,403<br>28,468<br>33,287<br>39,619 | 19,800<br>21,900<br>26,900<br>28,320<br>30,400<br>34,600 (M        | 88%<br>89%<br>91%<br>101%<br>110%<br>GR) 115% |   |

# MARKETPLACE ANALYSIS - HIGH TECH POSITIONS

| Occupational<br>Group                   | Occupational<br>Code | Position<br>Title | GS-Grade       | Number<br>of<br>Incumb | Agency<br>Actual<br>Average | Marketplace<br>Rate | Agency Average as % of Marketplace | Proposed Schedule as % of Marketplace |
|---|----------------------|-------------------|----------------|------------------------|-----------------------------|---------------------|------------------------------------|---------------------------------------|
| Physical Scie                           | nce 1301             |                   | GS-07/08       |                        | 19,234                      | 24,437              | √ 79%                              | 95%                                   |
| •                                       |                      |                   | GS-09/10       |                        | 24,031                      | 29,889              | 80%                                | 94%                                   |
|   |                      |                   | GS-11          |                        | 27,250                      | 33,680              | 81%                                | 89%                                   |
|   |                      |                   | GS-12          |                        | 32,754                      | 37 <b>,</b> 505     | 87%                                |                                       |
|   |                      |                   | GS-13          |                        | 39,566                      | 43,531              | 91%                                |                                       |
|   |                      |                   | GS-14          |                        | 47,136                      | 52,611              | 90%                                |                                       |
|   |                      |                   | GS-15          |                        | 56,215                      | 57 <b>,</b> 462     | 98%                                |                                       |
| Chemists                                | 1320                 |                   | GS-07/08       |                        | 20,247                      | 24,341              | 83%                                | 95%                                   |
| *************************************** |                      |                   | GS-09/10       |                        | 22,359                      | 29,413              | 76%                                | 95%                                   |
|   |                      |                   | GS-11          |                        | 26,635                      |                     |                                    |                                       |
|   |                      |                   | GS-12          |                        | 33,441                      | 35,439              | 94%                                | 101%                                  |
|   |                      |                   | GS-13          |                        | 39,329                      | 42,892              | 92%                                | 100%                                  |
|   | •                    |                   | GS-14          |                        | 47,943                      | 51,028              | 94%                                | 97%                                   |
| Mathematician                           | s 1520.02            |                   | GS-07<br>GS-09 |                        | 19,517                      | 26,900              | 73%                                | 86%                                   |
|   |                      |                   | GS-11          |                        | 28,889                      | 30,000              | 96%                                | 107%                                  |
|   | •                    |                   | GS-12          |                        | 31,415                      |                     |                                    |                                       |
|   |                      |                   | GS-13          |                        | 40,370                      | 32,800              | 123%                               |                                       |
|   |                      |                   | GS-14          |                        | 48,893                      | 39,800              | 123%                               |                                       |
|   |                      |                   | GS-15          |                        |                             | 46,000              |                                    |                                       |
|   | 1550.01              | Computer          | GS-07          |                        | 19,517                      | 25,395              | 77%                                |                                       |
|   |                      | Science           | GS-09          |                        | 24,576                      | 30,057              | 82%                                |                                       |
| ,                                       |                      |                   | GS-11          |                        | 29,739                      | 35 <b>,</b> 273     | 84%                                |                                       |
|   | •                    |                   | GS-12          |                        | 31,415                      |                     |                                    | •                                     |
| 4                                       |                      |                   | GS-13          |                        | 40,370                      | 42,698              | 95%                                |                                       |
|   |                      |                   | GS-14          |                        | 48,893                      |                     |                                    |                                       |
|   |                      |                   | GS-15          |                        |                             | 48,243              |                                    |                                       |
|   |                      |                   |                |                        |                             | 58,426 (D           | ept Head-PhD)                      |                                       |

Sources: Dietrich Associates, Inc.

25X1

Executive Compensation Service, Inc.

A.S. Hansen, Inc.

Bureau of Labor Statistics - Professional, Administrative, Technical, Clerical Survey

#### SECRET